

VICTORY CHRISTIAN CENTER INC.

Financial Statements

Year Ended December 31, 2010

(Unaudited - See Notice To Reader)

VICTORY CHRISTIAN CENTER INC.

Index to Financial Statements

Year Ended December 31, 2010

(Unaudited - See Notice To Reader)

	Page
NOTICE TO READER	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Operations	3
Statement of Net Assets	4
Statement of Cash Flows	5
Note to Financial Statements	6

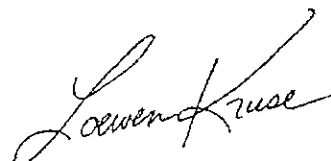
NOTICE TO READER

On the basis of information provided by management, we have compiled the statement of financial position of Victory Christian Center Inc. as at December 31, 2010 and the statements of operations, net assets and cash flows for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Burnaby, British Columbia
June 27, 2011



Chartered Accountants

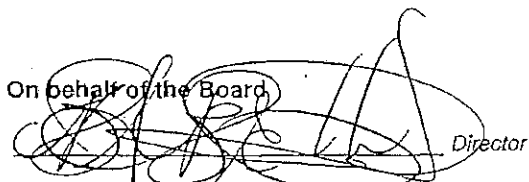
VICTORY CHRISTIAN CENTER INC.

Statement of Financial Position

December 31, 2010

	2010	2009
ASSETS		
CURRENT		
Cash	\$ 292,358	\$ 174,690
Accounts receivable	5,241	253
Recoverable from government authorities	9,866	13,898
Loan receivable	2,475,000	2,475,000
Interest receivable	110,000	105,000
	<u>2,892,465</u>	<u>2,768,841</u>
INVESTMENT CERTIFICATE	93,569	93,232
ADVANCES TO VICTORY CHRISTIAN SCHOOL	222,199	214,457
CAPITAL ASSETS (Note 1)	<u>3,133,421</u>	<u>3,151,674</u>
	<u>\$ 6,341,654</u>	<u>\$ 6,228,204</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 90,101	\$ 46,710
Payable to government authorities	-	3,495
	<u>90,101</u>	<u>50,205</u>
NET ASSETS		
Operating fund - page 4	<u>6,251,553</u>	<u>6,177,999</u>
	<u>\$ 6,341,654</u>	<u>\$ 6,228,204</u>

On behalf of the Board

 Director

See notes to financial statements

VICTORY CHRISTIAN CENTER INC.

Statement of Operations

Year Ended December 31, 2010

	2010	2009
REVENUE		
General offerings	\$ 973,340	\$ 907,177
Daycare receipts	407,821	415,592
Daycare government grants	132,172	148,676
Interest	105,945	101,710
Conferences	34,273	29,737
Banquet	33,101	-
Bookstore sales	10,072	11,384
Victory Bible College receipts	6,743	6,472
Other revenue	3,812	2,772
	<u>1,707,279</u>	<u>1,623,520</u>
EXPENDITURES		
Salaries and wages	764,702	829,402
Church supplies and services	334,651	270,972
Telephone and utilities	70,314	60,326
Gifts to qualified donees	60,281	27,457
Seminars, training and education	54,901	54,551
Building maintenance	43,014	23,293
Advertising	41,007	33,930
Amortization	37,396	37,109
Repairs and maintenance vehicles	37,200	30,136
Office supplies and services	37,005	22,357
Interest and bank charges	28,083	31,474
Insurance	25,605	34,897
Photocopier operating costs	23,160	29,659
Daycare	22,978	23,460
Rental equipment and facilities	10,238	33,703
Accounting and legal	9,470	13,714
HST/GST expensed	9,034	8,324
Conferences	5,693	3,814
Dues and subscriptions	4,920	3,298
Honorariums	4,125	-
Courier	3,493	3,361
Computer repairs and maintenance	2,693	10,160
Equipment maintenance	2,343	4,497
Miscellaneous	1,107	4,296
Property taxes	308	314
Currency Exchange	4	1,866
Bad debt expense	-	210
	<u>1,633,725</u>	<u>1,596,580</u>
EXCESS OF REVENUE OVER EXPENDITURES - page 4	<u>\$ 73,554</u>	<u>\$ 26,940</u>

VICTORY CHRISTIAN CENTER INC.

Statement of Net Assets

Year Ended December 31, 2010

	2010	2009
NET ASSETS - BEGINNING OF YEAR	\$ 6,177,999	\$ 6,151,059
Excess of revenue over expenditures - page 3	73,554	26,940
NET ASSETS - END OF YEAR - page 2	<u>\$ 6,251,553</u>	<u>\$ 6,177,999</u>

VICTORY CHRISTIAN CENTER INC.**Statement of Cash Flows****Year Ended December 31, 2010**

	2010	2009
OPERATING ACTIVITIES		
Excess of revenue over expenditures - page 3	\$ 73,554	\$ 26,940
Item not affecting cash:		
Amortization	37,396	37,109
	<u>110,950</u>	<u>64,049</u>
Changes in non-cash working capital:		
Increase in current assets	(956)	(8,367)
Increase in current liabilities	39,896	7,901
	<u>38,940</u>	<u>(466)</u>
Cash flow from operating activities	<u>149,890</u>	<u>63,583</u>
INVESTING ACTIVITIES		
Increase in investment certificate	(337)	(2,007)
Net purchase of capital assets	(19,143)	(55,125)
Increase in loan receivable	-	(2,475,000)
Increase in loan interest receivable	(5,000)	(105,000)
Loan advances to Victory Christian School	(7,742)	(3,666)
	<u>(32,222)</u>	<u>(2,640,798)</u>
Cash flow used by investing activities	<u>(32,222)</u>	<u>(2,640,798)</u>
INCREASE (DECREASE) IN CASH FLOW	117,668	(2,577,215)
Cash - beginning of year	<u>174,690</u>	<u>2,751,905</u>
CASH - END OF YEAR	\$ 292,358	\$ 174,690

VICTORY CHRISTIAN CENTER INC.

Notes to Financial Statements

Year Ended December 31, 2010

1. CAPITAL ASSETS

	Cost	Accumulated amortization	2010 Net book value	2009 Net book value
Land	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 3,000,000
Buildings	11,495	420	11,075	11,237
Audio/sound equipment	153,572	129,732	23,840	29,800
Music equipment	27,156	26,523	633	791
Video satellite equipment	11,407	11,383	24	30
Church equipment	299,628	267,372	32,256	34,954
TV equipment	172,908	168,515	4,393	5,491
Daycare equipment	16,627	13,242	3,385	4,232
Automotive	255,988	215,539	40,449	57,784
Computers	30,648	13,282	17,366	7,355
	<u>\$ 3,979,429</u>	<u>\$ 846,008</u>	<u>\$ 3,133,421</u>	<u>\$ 3,151,674</u>